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Of Attorneys for Debtor-in-Possession

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF OREGON

In re

Dinkel Family Farms, LLC

Debtor-in-Possession

Case No. 20-31938-tmb11

DEBTOR'S SUBMISSIONS PURSUANT  
TO ORDER SETTING SCHEDULING  
AND CASE MANAGEMENT  
CONFERENCE

Pursuant to the Order of this Court, Debtor-in-Possession, Dinkel Family Farms, LLC ("Debtor"), hereby submits the following:

1. Debtor's cash flow analysis, prepared on a weekly (first 5 weeks) followed by a monthly basis, from the petition date to August 30, 2020, is attached as **Exhibit A** and incorporated herein by this reference.

2. Debtor's financial information regarding 2017 is attached as **Exhibit B** and incorporated herein by this reference. Financial information for tax years 2018 and 2019 is being prepared at this time.

3. A statement of the income and expenses of the Debtor since the date of the filing of the petition is attached as **Exhibit C** and incorporated herein by this reference.

Expenses have been and are being paid in the ordinary course of business.

4. Debtor expects to employ the following professionals during the course of the reorganization:

- a. Christopher N. Coyle of Vanden Bos & Chapman, LLP (Debtor's general bankruptcy counsel).
- b. Northwest Financial Consulting as consultant to provide consultant services for the Debtor in the preparation and confirmation of a Plan.
- c. Sherman Sherman Johnnie & Hoyt, LLP as special counsel to advise Debtor regarding insurance coverage for the Ryen claim, which is an expertise possessed by the selected Professional.
- d. Jered Reid as special counsel to represent the debtor regarding issues relating to the Grassman Lease.
- e. Kevin Clonts as special counsel, to represent and defend Debtor regarding litigation filed against the Debtor by Ryen Farms, LLC.

Professional	Estimated Fees
Vanden Bos & Chapman, LLP (Attorneys)	\$57,200.00
Northwest Financial Consulting (Consultant)	\$5,000
Sherman Sherman Johnnie & Hoyt, LLP (Special Counsel)	\$2,500.00
Jared Reid (Special Counsel)	\$7,500
Kevin Clonts (special Counsel)	N/A

5. Attached as **Exhibit D** are monthly budgets for the anticipated fees and expenses of Vanden Bos & Chapman, LLP, Northwest Financial Consulting, and Sherman Sherman Johnnie & Hoyt through December, 2020. The attached budget for the professionals is an estimate only; the budget is not intended to establish either a minimum or maximum that might be charged by the professionals. The professionals reserve the

right to seek compensation in amounts above the attached budget if the time expended exceeds the estimates.

Dated: July 14, 2020

VANDEN BOS & CHAPMAN, LLP

By: /s/Christopher N. Coyle  
Christopher N. Coyle, OSB #073501  
Of Attorneys for Debtor-in-Possession

# Dinkel Family Farms, LLC

## PROJECTED CASH FLOW

Period of June 21, 2020 through August 2020

WEEK #/MONTH	Week #1	Week #2	Week #3	Week #4	Week #5	Period of Week #6	Month of	TOTAL PERIOD OF
WEEK/MONTH ENDING	06/21/20	06/28/20	07/05/20	07/12/20	07/19/20	07/26/20	Aug '20	06/21/20 Aug '20
<b>BEGINNING CASH BALANCE</b>	409,482	376,532	337,032	334,832	297,132	296,382	261,882	
<b>ONE TIME CASH CONTRIBUTIONS</b>	-							
<b><u>CASH RECEIPTS</u></b>								
Hay Sales								-
Grass Seed Sales								-
Garlic Seed Sales								-
Insurance Proceeds (Damages)								-
Government Subsidies/Grants								-
<b>TOTAL CASH RECEIPTS</b>	-	-	-	-	-	-	-	-
<b><u>CASH DISBURSEMENTS</u></b>								
<b>Business Operations</b>								
Advertising								-
Car and Truck Expense								-
Chemicals		5,000					45,000	50,000
Custom Hire								-
Dues, Subscrip. fees								-
Fertilizer	2,500						60,000	62,500
Freight								-
Fuel/Oil	300	300	300	20,000	300	300	23,600	45,100
Insurance	450	2,200	1,900		450	2,200	2,350	9,550
Irrigation								-
Leases/equip rent				4,000				4,000
Office Supplies								-
Operational Supplies	8,700			700			700	10,100
Payroll Expense		12,000		12,000		12,000	24,000	60,000
Professional Fees								-
Hay/Feed purchased								-
Rent								-
Repairs	20,000	5,000				5,000	5,000	35,000
Taxes								-
Utilities	1,000	15,000		1,000		15,000	16,000	48,000
								-
								-
								-
Total Business Expenses	32,950	39,500	2,200	37,700	750	34,500	176,650	324,250
<b>TOTAL CASH DISBURSEMENTS</b>	<b>32,950</b>	<b>39,500</b>	<b>2,200</b>	<b>37,700</b>	<b>750</b>	<b>34,500</b>	<b>176,650</b>	<b>324,250</b>
<b>CHANGE IN CASH</b>	<b>(32,950)</b>	<b>(39,500)</b>	<b>(2,200)</b>	<b>(37,700)</b>	<b>(750)</b>	<b>(34,500)</b>	<b>(176,650)</b>	
<b>ENDING CASH BALANCE</b>	<b>376,532</b>	<b>337,032</b>	<b>334,832</b>	<b>297,132</b>	<b>296,382</b>	<b>261,882</b>	<b>85,232</b>	

PROJECTED CASH FLOW - Notes

(1) First cutting of hay expected within two weeks with sales proceeds paid after August

**SCHEDULE F**  
**(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Profit or Loss From Farming**

- ▶ Attach to Form 1040, Form 1040NR, Form 1041, Form 1065, or Form 1065-B.  
▶ Go to [www.irs.gov/ScheduleF](http://www.irs.gov/ScheduleF) for instructions and the latest information.

OMB No. 1545-0074

**2017**  
Attachment  
Sequence No. **14**

**BARRY L. DINKEL**

A Principal crop or activity  
**CROPS**

B Enter code from Part IV  
▶ **1119 00**

Accounting method:  
☒ Cash ☐ Accrual

Social security number (SSN)  
**-7662**  
number (EIN)  
**46-3455856**

- E Did you 'materially participate' in the operation of this business during 2017? If 'No,' see instructions for limit on passive losses. ☐ Yes ☐ No  
F Did you make any payments in 2017 that would require you to file Form(s) 1099 (see instructions)? ☐ Yes ☐ No  
G If 'Yes,' did you or will you file required Forms 1099? ☐ Yes ☐ No

**Part II Farm Income - Cash Method.** Complete Parts I and II / Accrual method. Complete Parts I and III, and Part I, line 9.

1a Sales of livestock and other resale items (see instructions)	1a	
b Cost or other basis of livestock or other items reported on line 1a	1b	
c Subtract line 1b from line 1a	1c	
2 Sales of livestock, produce, grains, and other products you raised	2	<b>1,967,652.</b>
3a Cooperative distributions (Form(s) 1099-PATR)	3a	
3b Taxable amount	3b	
4a Agricultural program payments (see instructions)	4a	
4b Taxable amount	4b	
5a Commodity Credit Corporation (CCC) loans reported under election	5a	
b CCC loans forfeited	5b	
5c Taxable amount	5c	
6 Crop insurance proceeds and federal crop disaster payments (see instructions)		
a Amount received in 2017	6a	
b Taxable amount	6b	
c If election to defer to 2018 is attached, check here <input checked="" type="checkbox"/> D	6d	
6d Amount deferred from 2016	6d	
7 Custom hire (machine work) income	7	
8 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	8	
9 Gross income. Add amounts in the right column (lines 1c, 2, 3b, 4b, 5a, 5c, 6b, 6d, 7, and 8). If you use the accrual method, enter the amount from Part III, line 50	9	<b>1,967,652.</b>

**Part III Farm Expenses - Cash and Accrual Method.** Do not include personal or living expenses. See instructions.

10 Car and truck expenses (see instructions). Also attach Form 4562	10	<b>7,413.</b>	23 Pension and profit-sharing plans	23	
11 Chemicals	11	<b>115,897.</b>	24 Rent or lease (see instructions):		
12 Conservation expenses (see instructions)	12		a Vehicles, machinery, equipment	24a	<b>15,541.</b>
13 Custom hire (machine work)	13		b Other (land, animals, etc.)	24b	<b>256,095.</b>
14 Depreciation and section 179 expense (see instructions)	14	<b>413,975.</b>	25 Repairs and maintenance	25	<b>207,380.</b>
15 Employee benefit programs other than on line 23	15		26 Seeds and plants	26	<b>7,063.</b>
16 Feed	16	<b>24,200.</b>	27 Storage and warehousing	27	
17 Fertilizers and lime	17	<b>155,715.</b>	28 Supplies	28	<b>45,644.</b>
18 Freight and trucking	18		29 Taxes	29	<b>89,065.</b>
19 Gasoline, fuel, and oil	19	<b>50,656.</b>	30 Utilities	30	<b>114,155.</b>
20 Insurance (other than health)	20	<b>42,202.</b>	31 Veterinary, breeding, and medicine	31	
21 Interest:			32 Other expenses (specify):		
a Mortgage (paid to banks, etc.)	21a		a <b>SEE STATEMENT 11</b>	32a	<b>324,545.</b>
b Other	21b	<b>18,871.</b>	b	32b	
22 Labor hired (less employment credits)	22	<b>257,267.</b>	c	32c	
			d	32d	
			e	32e	
			f	32f	
33 Total expenses. Add lines 10 through 32f. If line 32f is negative, see instructions	33	<b>2,145,684.</b>			
34 Net farm profit or (loss). Subtract line 33 from line 9 If a profit, stop here and see instructions for where to report. If a loss, complete lines 35 and 36.	34	<b>-178,032.</b>			

- 35 Did you receive an applicable subsidy in 2017? (see instructions) Yes ☐ No ☒  
36 Check the box that describes your investment in this activity and see instructions for where to report your loss.  
a ☒ All investment is at risk. b Some investment is not at risk.

LHA For Paperwork Reduction Act Notice, see the separate instructions.

Schedule F (Form 1040) 2017

Summary

**Income/Expense Budget for Dinkel Family Farms, LLC**

<b>June - Aug 24, 2020</b>		
Advertising		\$0
Car and Truck Expense		\$0
Chemicals	\$50,000	
Custom Hire		\$0
Dues, Subscrip, fees		\$0
Fertilizer	\$62,500	
Freight		\$0
Fuel/oil	\$45,400	
Insurance	\$9,550	
Irrigation		\$0
Leases/equip rent	\$4,000	
Office Supplies		\$0
Operational Supplies	\$10,100	
Payroll Expense	\$60,000	
Professional Fees		\$0
Hay/Feed purchased		\$0
Rent		\$0
Repairs	\$35,000	
Taxes		\$0
Utilities	\$48,000	
		\$0
		\$0
<b>TOTAL EXPENSES</b>	<b>=</b>	<b>\$324,550</b>

<b>Income for Interim Period</b>	<b>June</b>	<b>July</b>	<b>August</b>	<b>Totals</b>
Beginning Cash	\$61.39			
PPP	\$14,976.00			<b>\$14,976.00</b>
				<b>\$0.00</b>
Cash Collateral	\$70,981.66			<b>\$70,981.66</b>
				<b>\$0.00</b>
				<b>\$0.00</b>
				<b>\$0.00</b>
				<b>\$0.00</b>
				<b>\$0.00</b>
				<b>\$0.00</b>
				<b>\$0.00</b>
				<b>\$0.00</b>
<b>Balance Available</b>	<b>\$86,019.05</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$85,957.66</b>
Expenses (less int. and dep.)	\$72,750.00	\$75,150.00	\$176,650.00	\$324,550.00
<b>Net Income</b>	<b>\$13,269.05</b>	<b>-\$75,150.00</b>	<b>-\$176,650.00</b>	<b>-\$238,592.34</b>

**Estimated Professional Fees and Expenses  
6/2020 to 12/2020**

<b>Professional</b>	<b>\$44,002.00</b>	<b>\$44,032.00</b>	<b>\$44,063.00</b>	<b>\$44,094.00</b>	<b>\$44,124.00</b>	<b>\$44,155.00</b>	<b>\$44,185.00</b>	<b>Total</b>
Vanden Bos & Chapman, LLP	\$9,000.00	\$1,200.00	\$9,000.00	\$15,000.00	\$15,000.00	\$4,000.00	\$4,000.00	\$57,200.00
Northwest Financial Consulting (Consultant)	\$500.00	\$500.00	\$1,000.00	\$2,000.00	\$1,000.00	\$0.00	\$0.00	\$5,000.00
Sherman Sherman Johnnie & Hoyt, LLP (Special Counsel)	\$500.00	\$1,000.00	\$500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,000.00
Jered Reid (Special Counsel)	\$0.00	\$2,500.00	\$2,500.00	\$2,500.00	\$0.00	\$0.00	\$0.00	\$7,500.00
Kevin Clonts (Special Counsel)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

CERTIFICATE - TRUE COPY

DATE: July 14, 2020

DOCUMENT: DEBTOR'S SUBMISSIONS PURSUANT TO ORDER SETTING  
SCHEDULING AND CASE MANAGEMENT CONFERENCE

I hereby certify that I prepared the foregoing copy of the foregoing named document and have carefully compared the same with the original thereof and it is a correct copy therefrom and of the whole thereof.

CERTIFICATE OF SERVICE

I hereby certify that I served a copy of the foregoing on:

Dinkel Family Farms, LLC  
c/o Barry L. Dinkel  
PO Box 240  
Culver, OR 97734

by mailing a copy of the above-named document to each of the above in a sealed envelope addressed to the same at the last known address. Each envelope was deposited into the postal system at Portland, Oregon, on the below date, postage prepaid.

I hereby certify that the foregoing was served on all CM/ECF participants through the Court's Case Management/Electronic Case File system on the date set forth below.

Dated: July 14, 2020

VANDEN BOS & CHAPMAN, LLP

By: /s/Christopher N. Coyle  
Christopher N. Coyle, OSB #073501  
Of Attorneys for Debtor-in-Possession